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**Commission on Ethics &
Public Trust
Miami-Dade County**

Memorandum

To: Mr. Jay N. Love, Mayoral Candidate 2004

The Honorable Carlos Alvarez, Mayor Miami-Dade County

The Honorable Chairperson, Joe Martinez and
Members of the Board of County Commissioners

From: Robert Meyers, Executive Director, Commission on Ethics

Date: September 23, 2005

Re: Final Audit Report – Jay N. Love Campaign Account 2004

Attached is your copy of the above-referenced final audit report. Due to a lack of adequate supporting documentation maintained by the campaign for its campaign expenditures, the COE could only audit 17% of the total campaign expenditures reported to the Elections Department by the Jay Love campaign. Thus, the audit findings presented in our final report cover only those campaign expenses that were able to be substantiated with the campaign records available for the completion of our audit.

Based on the limited scope of the audit, the COE found that those campaign expenditures that could be substantiated were in compliance with the requirements of Miami-Dade County Code §12-22 (G), "Use of Funds," as no disallowed expenses were paid with public funds.

However, the COE noted several of instances where there was a lack of compliance with Florida Statutes Title IX, Chapter 106, "Campaign Financing." The more significant areas of concern include the complete lack of support for an overwhelming majority of transactions, campaign expenditures paid through intermediaries, and the candidate's personal campaign contributions made *after* the date of the election, among other audit findings documented herein.

cc: Kerry Rosenthal, Chairman, Commission on Ethics and Public Trust
Lester Sola, Supervisor of Elections

**COMMISSION ON ETHICS & PUBLIC TRUST
POST-ELECTION AUDIT OF THE CAMPAIGN ACCOUNT OF**

**JAY N. LOVE
MAYORAL CANDIDATE 2004**

EXECUTIVE SUMMARY

Item No.	Audit Findings	FL Statute / County Code Violation	Comments
1	The Jay Love campaign failed to maintain adequate supporting documentation for its campaign expenditures. Thus, scope of the COE <u><i>audit was limited to 17% of the total campaign expenditures</i></u> reported to the Elections Department as there was <u><i>only</i></u> supporting documentation for approximately \$76,000 of the total \$438,626 campaign expenses incurred by the Jay Love campaign. (p. 4.)	Failure to provide adequate supporting documentation for campaign expenditures violates both Florida Statute §106.11(1)(b)(1)-(6) and Miami-Dade County Code §12-22, Subsection (f)(3)(a)(1) .	It should be noted that had the COE been able to audit the entire population of campaign expenditures, the findings contained in this report would <u><i>not</i></u> have been different as <u><i>this report covers only those campaign expenses that were able to be substantiated during the course of our audit.</i></u>
2	\$58,022.25 in campaign expenditures paid through third party-intermediaries. (pp. 7-8.)	FL Stats. §106.021(3) and §106.11(1) prohibit direct or indirect campaign expenditures in furtherance of a candidate's election campaign except through campaign treasurer drawing checks from the campaign bank account for campaign expenses.	The Jay Love Election Campaign made payments totaling \$58,022.25 (13% of the campaign expenditures) to third parties such as media consultants and political consultants who would then purchase media or pay campaign workers on behalf of the campaign. In some cases, these consultants would use their own corporate checking account to make payments in furtherance of the Jay Love election campaign.

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3	\$23,438 in payments to media consultants for purchase of media. (p. 8.)	Florida Elections Commission decisions DE 03-08 and DE 86-14 , which interprets Florida Statute §106.11(1) , states the following: “A candidate who is procuring both media related consultant services and mass media political advertisements <i>must issue separate checks drawn on the campaign account to media consultant for their services and to each media outlet that is providing advertising services.</i> ”	Jay Love campaign made payments of \$23,438 (approximately 5% of the total campaign expenditures) to media consultants for the purchase of media rather than issuing checks directly to the media outlet from the campaign bank account. This is in direct violation of Florida Statute §106.11(1) and the Florida Election Commission decisions DE 03-08 and DE 86-14.
4	\$18,066 paid as reimbursements to consultants for payments made to campaign workers and poll workers by the consultants. (p. 9.)	Florida Statute §106.021(3) states that reimbursements may be made for travel, food and beverage, office supplies, and mementos of gratitude to campaign supporters.	Consultants paid campaign vendors and poll workers and received reimbursement from the campaign from the expenditures incurred on behalf of the campaign. In some instances, the vendor used its own corporate checking account to pay for the expenses thereby concealing the true source of funds used to pay for the campaign expenses.

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5	The COE noted that HECA, Inc. made <u>cash payments</u> to campaign and poll workers totaling \$11,350.00 and <u>cash payments</u> totaling \$828 to other vendors. The campaign reimbursed HECA, Inc. for these cash payments. (p. 10)	Florida Statute §106.12 , “Petty Cash Funds Allowed,” states that the only cash payments allowed under state law are from a petty cash fund.. Expenditures for office supplies, transportation expenses, and other necessities are the only expenses allowed to be paid with petty cash funds.	
6	The Jay Love campaign reported paying two (2) \$60 fines totaling for zoning violation arising from improperly located campaign signs. Of the total \$120, COE was able to verify check payment of only \$60.00. (p. 10)		The Florida Division of Elections has advised the COE that fines paid from the campaign account for such expenses as code violations due to political sign advertisements or traffic violations are not considered campaign expenditures and should not be paid with campaign funds.
7	The candidate himself, Mr. Jay Love, made a contribution of \$5,000.00 to the campaign after the election date on August 31, 2004 with a personal check dated August 27, 2004 and deposited it on September 2, 2004.	Florida Statute §106.08(3)(b) and Florida Statute §106.141(1) prohibit a campaign from accepting a contribution <i>after</i> a candidate has been eliminated and also disallows the expending of any contribution received after a candidate has been eliminated.	

INTRODUCTION

In March of 2001, the Miami-Dade County Board of County Commissioners adopted Ordinance No. 01-39 (the Ordinance) for campaign financing reform and is codified in Miami-Dade County Code §12-22. The Ordinance is intended to make the political process more accessible to candidates who run for the office of County Mayor or Commissioner by providing eligible candidates with public financing from the Election Campaign Financing Trust Fund (the Fund).

The Ordinance establishes the eligibility requirements that a candidate must meet in order to receive public financing from the Fund. For the office of County Commissioner, each candidate who satisfies these requirements may be eligible for a maximum contribution of \$75,000 in the primary election, and an additional \$50,000 if a run-off election occurs. For the office of Mayor, each candidate who satisfies the eligibility requirements may receive \$300,000 for the primary election and an additional \$200,000 if the candidate is in a run-off election.

Additionally, the Ordinance requires the Commission on Ethics & Public Trust (COE) to conduct post-election audits ninety (90) days following the date of the election for those candidates who received public financing from the county. This is in keeping with both the requirements of §12-22 (f)(6) of the Code of Miami-Dade County and Florida Statute §106.141 (4), which require that the candidate dispose of any surplus funds remaining in the campaign account within 90-days of the election date by: (1) returning all surplus funds to the Election Campaign Financing Trust Fund; and, (2) any funds remaining in the campaign account that are in excess of the public funding received should be disposed of per Florida Statute §106.141, Disposition of Surplus Funds.

Accordingly, the COE conducted a post-election audit of the campaign account of Mr. Jay N. Love, who received \$300,000 in public funding as a candidate for the Miami-Dade County mayoral primary election held on August 31, 2004.

PURPOSE & SCOPE OF THE AUDIT

The post-election audit conducted by the COE focuses primarily on campaign expenditures as other Miami-Dade county agencies have been involved in current, on-going examinations of all campaign contributions for those candidates who received public monies. Therefore, the COE focused on the following audit objectives:

1. Verify that the candidate complied with County Code §12-22 (e)(1), which sets forth the expenditure limits for those candidates who receive public financing.
2. Verify that the candidate complied with County Code §12-22 (g), "Use of Funds," which states the following six (6) types of expenditures that public funds **cannot** be used for:
 - a) Clothing for a candidate or an immediate family member of the candidate, except for a political advertisement as defined in Florida Statute §106.001 (17). An immediate family member is defined as the spouse, parents, children, and siblings of the candidate.
 - b) The purchase or rental of any vehicle for a candidate.
 - c) The enhancement of any vehicle owned by a candidate or an immediate family member of the candidate.
 - d) Personal grooming or cosmetic enhancements for a candidate.
 - e) Payment to a candidate or an immediate family member for the purchase of any goods or services.
 - f) Payment to any corporation, firm, partnership, or business entity owned or controlled by a candidate or an immediate family member for the purchase of any goods or services. "Controlled by" shall mean ownership, directly or indirectly, of 5% or more of the outstanding capital stock in any corporation, or direct or indirect interest of 5% or more in a firm, partnership, or other business entity.
3. Verify that the candidate disposed of any surplus funds remaining in the campaign account within 90-days following the election as required by County Code §12-22 (F) (6) and Florida Statute §106.141 (4).
4. Review for compliance with applicable sections of Florida Statute Title IX, Chapter 106, "Campaign Financing."

The COE obtained copies of all bank statements and cancelled checks drawn against the campaign account, original and/or copies of vendor invoices and receipts, as well as any other accounting records, contracts and/or documentation which would substantiate the amount and purpose of the candidate's campaign expenditures.

The scope of the audit encompassed the period of July 2, 2003 through October 8, 2004, which coincides with the timeframe the campaign account was opened and subsequently closed by the candidate. Additionally, the COE audit strategy was to complete an audit of 100% of the campaign expenditures exhibited on the Campaign Treasurer's Report.

SUMMARY OF CAMPAIGN ACCOUNT ACTIVITY

Based on a review of the Campaign Treasurer's Reports, the Jay Love campaign had a total of \$438,626.39 available to run the candidate's election campaign. Of the total \$438,626.39 in campaign funds, \$300,000.00 was received from the County's public trust fund and the remaining \$138,626.39 was acquired through private contributions, loans and in-kind services. A breakdown of how the total campaign funds were spent is exhibited in Table I. below and categorized by expense type:

TABLE I.

BREAKDOWN OF EXPENSES			
Expense Type	Dollar Amount of Expenses	% of Total Expenses	Allowable per §12-22 (g)?
Advertising/Promotional	\$ 210,984.05	47.48%	Yes
Consulting Fees	92,683.22	21.13%	Yes
Repayment of Loans	41,200.00	9.39%	Yes
Contract Labor	27,905.61	6.36%	Yes
Rent	11,185.62	2.55%	Yes
Professional Fees	10,194.00	2.32%	Yes
Printing	8,960.54	2.04%	Yes
Website Consultant	6,750.00	1.54%	Yes
Equipment	5,275.65	1.20%	Yes
Fund Raising	4,329.75	0.99%	Yes
Telephone	4,025.15	0.92%	Yes
Office Supplies	3,500.42	0.80%	Yes
Election Expenses	2,605.60	0.59%	Yes
Bank and Debit Card Fees	2,051.32	0.47%	Yes
Meals	1,847.22	0.42%	Yes
Gasoline	1,588.98	0.36%	Yes
Graphic Design	785.00	0.18%	Yes
Other	726.13	0.17%	Yes
Reimbursed Expenses	690.13	0.16%	Yes
Donations	680.00	0.16%	Yes
Deposit	407.00	0.09%	Yes
Utilities	131.00	0.03%	Yes
Fines ¹	120.00	0.03%	No
TOTAL	\$438,626.39	100%	

¹ The campaign paid for zoning violations involving campaign signs which the Florida Division of Elections has opined are not allowed to be paid for with campaign funds.

The COE notes that the expense classifications used in Table I. above were taken from the description on the candidate's treasurer's report filed with the Miami-Dade County Department of Elections. In other words, the COE **did not** create these expense classifications; rather, the COE used the expense descriptions found in the candidate's campaign records.

LIMITATIONS IMPOSED ON THE CAMPAIGN ACCOUNT AUDIT

For the post-election audit of the Jay Love campaign, the COE was unable to perform a complete audit of all campaign expenditures listed on the Campaign Treasurer's Reports filed with the Miami-Dade County Elections Department by the campaign. This is directly attributed to the campaign's failure to maintain adequate supporting documentation in the form of vendor invoices, and receipts for over 400 (approximately 83%) of the campaign expenditures reported to the Elections Department.

In an effort to obtain the required supporting documentation, the COE requested for the campaign to provide any and all accounting records which support its campaign expenses in order for the COE to conduct its post-election audit. However, the COE was informed in writing by the candidate himself, Mr. Jay Love, that "the receipts are no longer in my possession or cannot be located."

As a result, the **audit findings documented herein are based on the COE's audit of only 17% of the total campaign expenditures reported to the Elections Department.** This accounts for approximately \$76,000 of the total \$438,626 campaign expenses incurred by the Jay Love campaign. It should be noted that had the COE been able to audit the entire population of campaign expenditures, the findings contained in this report would **not** have been different as **this report covers only those campaign expenses that were able to be substantiated during the course of our audit.**

Lastly, the COE notes that failure to provide adequate supporting documentation for campaign expenditures violates both Florida Statute §106.11(1)(b)(1)-(6) and Miami-Dade County Code §12-22, Subsection (f)(3)(a)(1).

CANDIDATE'S COMPLIANCE WITH COUNTY CODE § 12-22

a. Compliance with Campaign Expenditures Limit

Miami-Dade County Code §12-22 (e) requires that Mayoral candidates who request public funding from the Elections Campaign Financing Trust Fund limit their campaign contributions and expenditures to \$600,000 for the primary election unless one candidate exceeds the established contribution limit. On November 25, 2003, the campaign contribution limit was lifted for the Mayoral race, as one candidate exceeded the contribution limit by raising contributions in excess of the \$600,000 limit. Therefore, as a result of the expenditure limit being lifted for the Mayoral campaign, the candidates were able to raise contributions in excess of the established limits set for both the primary and run-off elections (i.e. \$600,000 and \$400,000, respectively).

b. Compliance with County Code §12-22, Subsection (g) "Use of Funds"

To verify the candidate's compliance with Code §12-22 (g), "Use of Funds," the COE scheduled all check payments issued from the candidate's campaign account and verified that each campaign expense was supported by adequate documentation (i.e., a receipt or vendor invoice). For payments made to individuals from the campaign account, the COE researched whether the payee was an "immediate family member" of the candidate. "Immediate family member" refers to the candidate's spouse, parents, children, and siblings. For payments made to business entities from the campaign account for the purchase of goods or services, the COE researched whether the business entity is owned or controlled by the candidate or an immediate family member of the candidate.

Overall, the COE found that the candidate complied with the requirements of Code §12-22 (g), "Use of Funds," for the public funding portion of the campaign account. However, a review of the supporting documentation found that the campaign paid "Hooligan's Pub and Oyster Bar," a company wholly owned by the candidate, \$12,184.39 for rent and the reimbursement of other expenses which the company incurred on behalf of the campaign. Of the total \$12,184.39 paid to "Hooligan's," the COE auditor was able to examine supporting documentation for only \$9,033.79 of the disbursements as there was no support documentation for the remaining \$3,150.60. Thus, the COE could not determine the nature of these unsupported campaign expenditures. ***{See Exhibit A for copies of supporting documentation.}***

The COE cannot identify with certainty which source of funds was used to pay for these expenditures as Florida Statute §106.021(1) requires that all contributions and expenditures are made from one campaign account. Therefore, since both privately raised contributions and the county's public funds were required to be deposited in the same account, the COE assumes that the \$12,184.39 paid to Hooligan's was paid from the campaign's privately raised contributions of \$138,626.39

NO EXCEPTIONS NOTED.

c. Compliance with County Code §12-22, Subsection (f)(6) "Disposal of Surplus Funds"

County Code §12-22 (f)(6) and Florida Statute §106.141(4) require that the candidate dispose of any surplus funds remaining in the campaign account within 90 days after the election date in the following manner: (1) return all surplus funds to the county's Election Campaign Financing Trust Fund; and, (2) any funds remaining in the campaign account that are in excess of the county's public funding received should be disposed of per Florida Statute §106.141, Disposition of Surplus Funds. Given that the election was on August 31, 2004, the 90-day period for returning any surplus funds ended on November 30, 2004.

Based on review of the campaign's final bank statement, the COE confirmed that the Jay Love Campaign bank account was closed effective October 8, 2004. Additionally, the COE obtained written confirmation from the banking institution where the campaign depository was held, SOFISA Bank of Florida, that the campaign account was closed.

NO EXCEPTIONS NOTED.

COMPLIANCE WITH FL STATUTE TITLE IX, CHAPTER 106, “CAMPAIGN FINANCING”

Election campaign finance laws are found in Florida Statute Chapter 106, Campaign Financing, and interpretations of these statutes are provided by the Florida Elections Commission as Elections Opinions. As part of this audit, the COE reviewed the relevant Florida statutes and the Elections Opinions to ensure the candidate's campaign was in substantial compliance with the applicable statutory requirements.

Through inquiry of individuals associated with the Jay Love campaign and review of the candidate's campaign bank account records, cancelled checks, related vendor invoices, and other supporting documentation for campaign expenditures, the following are the COE's audit findings with regards to compliance with Florida Statute Chapter 106:

a. Expenditures in Furtherance of the Campaign Through Third Parties

Florida Statutes §106.021(3) and §106.11(1) prohibit direct or indirect campaign expenditures in furtherance of a candidate's election campaign except through the duly appointed campaign treasurer. When a candidate makes payments to an individual or corporate entity which then uses those campaign funds received to transact on behalf of the candidate with third parties, those individuals and entities are viewed as “intermediaries” under the Florida statutes. An intermediary spending campaign funds on behalf of the candidate prevents full public disclosure as to how campaign funds are actually spent by a candidate.

Additionally, Florida Statute §106.11(1) prohibits the expenditure of funds on behalf of a candidate from any other bank account other than the candidate's primary campaign account, using a check drawn against that specific campaign bank account.

AUDIT FINDING

Based on a review of cancelled checks and supporting documentation provided by the campaign, the COE found that the Jay Love Election Campaign made payments totaling \$58,022.25, or approximately 13% of the total campaign expenditures, to third parties such as media consultants and political consultants who would then purchase media or pay campaign workers on behalf of the Jay Love campaign.

The following is a list of the vendors, which acted as third-party intermediaries, and the funds they received from the Jay Love campaign. These campaign funds were then used to pay the actual service providers in furtherance of the Jay Love campaign: ***{See Exhibit B and D for copies of supporting documentation.}***

Dark Horse Strategies	\$ 43,437.50
HECA, Inc.	<u>\$ 14,585.00</u>
	<u>\$ 58,022.50</u>

NOTE: Some of the payments listed above are also in direct violation of Florida Statute §106.021(3) and the Florida Election Commission decisions DE 03-08 and DE 86-14 as discussed in Sections (b) and (c) below.

b. Campaign Payments to Media Consultants for the Purchase of Media

The Florida Elections Commission decision DE 86-14, which interprets Florida Statute §106.11(1), states the following:

*“A candidate who is procuring both media related consultant services and mass media political advertisements **must issue separate checks drawn on the campaign account to media consultant for their services and to each media outlet that is providing advertising services.**”*

Additionally, the Florida Elections Commission stated in its decision DE 03-08 that Florida Statute §106.021(3) does **not** allow expenditures to be made either directly or indirectly in furtherance of the candidacy of any person. DE 03-08 further stated that if a media consulting firm was to pay for a candidate’s actual advertisements it would be considered a direct expenditure in furtherance of the candidate and as such it is prohibited because the expense incurred was not paid directly from the candidate’s campaign account and thereby would interfere with full public disclosure of how the campaign dollars were spent.

AUDIT FINDING

Based on review of cancelled check payments and supporting documentation for media consultants, the COE found that the Jay Love campaign paid Dark Horse Strategies a total of \$43,437.50. Dark Horse Strategies then spent approximately \$23,438, or 54%, of the payments received from the Jay Love campaign for the purchase of media, in direct violation of Florida Statute §106.021(3) and the Florida Election Commission decisions DE 03-08 and DE 86-14. To comply with the Florida statutes, the campaign should have issued check payments directly to the media outlet from the campaign bank account. **{See Exhibit B for copies of supporting documentation.}**

c. **Reimbursement Paid to Campaign Consultants for Payments to Vendors**

Florida Statute §106.021(3) addresses what is allowable as a reimbursement from a candidate's campaign bank account and specifically states the following:

“...a candidate or any other individual may be reimbursed for expenses incurred for travel, food and beverage, office supplies, and mementos expressing gratitude to campaign supporters by a check drawn upon the campaign account...”

The purpose of this statute is to provide transparency in the disbursement of campaign funds and allow for full public disclosure of all expenditures. Based on review of consultants' invoices submitted to the Jay Love campaign, the COE noted that the campaign consultants would transact on behalf of the Love campaign with the actual provider of the campaign goods and services, issue payment to the vendors, and then the consultants would submit an invoice to the Love campaign for reimbursement.

The following individuals and corporations served as “intermediaries” between the Love campaign and the actual service provider to the election campaign:

- 1) **Dark Horse Strategies** received \$47,437.50 of which approximately \$23,438 was used for the purchase of media as discussed in **Section b.** above. Of the remaining balance of \$24,000, Dark Horse Strategies spent \$3,481 in direct payments to personnel that worked on behalf of the campaign. ***{See Exhibit B for copies of supporting documentation.}***
- 2) **HECA, Inc.** received two campaign checks totaling \$14,585.00 to pay for services related to hiring and organizing campaign workers and poll workers. The payments are in essence reimbursement to HECA, Inc. for services which HECA procured on behalf of the campaign. Thus, the Jay Love campaign did not directly pay the campaign/poll workers from the campaign account in direct violation of Florida Statute §106.11(1). ***{See Exhibit D for copies of supporting documentation.}***

d. Cash Payments Paid to Campaign Workers and Vendors

The COE noted that HECA, Inc. made cash payments to poll workers and other campaign vendors which is prohibited by Florida Statute §106.11(1)(a). The only cash payments allowed under state law are for petty cash, which is addressed in Florida Statute 106.12, "Petty Cash Funds Allowed." This statute specifically states that the only campaign expenditures allowed to be paid using **petty** cash are as follows:

1. Office supplies;
2. Transportation expenses; and,
3. Other necessities (i.e., when the campaign check book is not readily available to pay for incidentals.)

The COE noted that HECA made cash payments to campaign and poll workers totaling \$11,350.00 and cash payments totaling \$828 to other vendors. **{See Exhibit D for copies of supporting documentation.}**

e. Payments of Fines

The COE has been advised by the Florida Division of Elections that fines paid from the campaign account for such expenses as code violations due to political sign advertisements or traffic violations are not considered campaign expenditures and should not be paid for using campaign funds.

AUDIT FINDING

Based on review of the Q2-04 Campaign Treasurer's Report, the COE noted that the Jay Love campaign reported paying two (2) fines in the amount \$60 each for zoning violations arising from an improperly located campaign sign.

However, based on review of bank statements, cancelled checks and supporting documentation, the COE could only substantiate that one of the \$60.00 fines was actually paid. The COE could not ascertain whether there were two (2) fines issued to the Jay Love campaign and only one was paid or whether an error occurred in the completion of the Campaign Treasurer Reports and the \$60 fine was mistakenly reported twice. **{See Exhibit E for supporting documentation.}**

f. Contributions after the Election is Finished

Florida Statute §106.08(3)(b) and Florida Statute §106.141(1) prohibit a campaign from accepting a contribution **after** a candidate has been eliminated and also disallows the expending of any contribution received after a candidate has been eliminated.

AUDIT FINDING

Based on the COE's review of the campaign account bank statements and deposit slips, the candidate himself, Mr. Jay Love, made a contribution of \$5,000.00 to the campaign after the election date on August 31, 2004 with a personal check dated August 27, 2004 and deposited it on September 2, 2004. Also, the COE noted that the campaign bank account was overdrawn by \$2,123.51 as of August 31, 2004. ***{See Exhibit F for copies of supporting documentation.}***

OTHER AUDIT FINDINGS

a. IRS Forms 1099-MISC

In the process of examining the campaign accounting records, the COE requested from the campaign copies of the IRS Forms 1099 completed for campaign staff, contract labor or individual consultants who received payments equal to or greater than \$600.00, which is the IRS's minimum dollar amount required for completing and filing Forms 1099-MISC.

Although the campaign provided the COE with copies of IRS Forms 1099 completed for the majority of campaign staff or individual consultants who received \$600.00 or more, there were three employees who received a total of \$17,734 and one campaign worker who received \$15,000.00 for which there were no IRS Forms 1099 provided to the COE. Therefore, the COE cannot determine if the IRS Forms 1099 were completed and filed for these four (4) individuals by the Jay Love campaign.

b. Campaign Treasurer's Report vs. Bank Statements

The COE compared total disbursements per the monthly campaign bank account statements to total expenditures reported on the Campaign Treasurer's Reports filed by the Jay Love campaign with the Miami-Dade County Department of Elections. The COE calculated the total contributions and total expenditure per the bank statements to be \$416,981.34 as compared to the total campaign expenditures reported on the final Campaign Treasurer's Report, which reflected a total of \$438,626.39. Therefore, there is an unexplained over-reporting of \$21,645.05 of total itemized expenditures according to the Campaign Treasurer's Reports.

AUDIT CONCLUSION

As noted previously, the audit findings documented herein are based on the COE's audit of only 17% of the total campaign expenditures reported to the Elections Department by the Jay Love campaign. This is directly attributed to the fact that the Jay Love campaign failed to maintain adequate supporting documentation for its campaign expenditures as required by both Miami-Dade County Code and the Florida Statutes. Thus, the audit findings presented herein cover only those campaign expenses that were able to be substantiated during the course of our audit.

Therefore, based on the limited scope of our audit, the COE found that those campaign expenditures made from the Jay Love campaign account that could be substantiated were in compliance with the requirements of Miami-Dade County Code §12-22 (G), "Use of Funds," as no disallowed expenses were paid with public funds.

However, the COE noted several of instances where there was a lack of compliance with Florida Statutes Title IX, Chapter 106, "Campaign Financing," with some violations more significant than others. The more significant areas of concern include the complete lack of support for an overwhelming majority of transactions, campaign expenditures paid through intermediaries, and the candidate's personal campaign contributions made **after** the date of the election, among other audit findings documented herein.

The COE appreciates the cooperation extended by the parties involved with Jay Love campaign throughout the course of this audit.

EXHIBITS

- A.** Payments to Hooligan's Pub and Oyster Bar
- B.** Payments to Dark Horse Strategies and Emiliano Antunez
- C.** Payments from Dark Horse Strategies to final vendors
- D.** Documentation for HECA Inc.
- E.** Documentation for payment of fine
- F.** Documentation for Contribution made after date of election

APPENDIX

- 1. Campaign's Response to the Draft Audit Report